

ACV Decision Q&A

January 2021



Q: What does this really mean?

A: The Trust Board has voted to provide an expression of interest to South Somerset District Council (SSDC) in buying Huish Park. This has triggered a 'moratorium' period that lasts until 26 May 2021. During this period, the owner of Huish Park is unable to sell the property to anyone other than a relevant community interest group.

Q: Why has the Board taken this decision?

A: The Board recognises that the proposed sale of the Huish Park land to SSDC is a pivotal moment in the history of our football club. With the Asset of Community Value, the Board has the ability to effectively pause this sale and consider its own options for putting together a bid. At the present time, the Board do not feel there is enough information available to allow an informed decision to be made, and so has triggered the moratorium period in order to gather more information, consider its options and further consult with membership (which could result in a bid being put together).

Q: Does the Board now intend to allow the Glovers Trust membership to vote on the issue?

A: Yes. The Board is working hard behind the scenes to gather information, consult a variety of sources and collate all of the details on all the possible options, which includes making our own bid for the land and giving Yeovil Town fans an opportunity to own part of the club we all love. The final decision will be taken by our members, with the time and information available to make an informed choice. Not only will we share information via email and social media, but it is our intention to hold an open meeting with Glovers Trust members to discuss, clarify and challenge the information shared. More information on the timings and practicalities of this will be shared as soon as possible.

Q: Was this a unanimous Board decision?

A: 11 members of the Board voted in favour of taking this course of action; 1 member abstained.

Q: Does this mean the members themselves will now have to raise the funds to buy the land?

A: Not necessarily. Triggering the ACV gives the Trust time to consider it's option to bid, but does not commit it to making that bid. During this moratorium period, our aim is to explore all options, which include raising funds via the membership or partnering with other investors. Conversations are ongoing, and as soon as more information can be shared with our members, it will be.

Q: Can the Trust decide to exit the moratorium period early?

A: Yes. The Trust can withdraw its expression of interest at any time, at which point the sale of Huish Park to SSDC could immediately recommence.

Q: If another offer is indeed put forward to buy Huish Park, would YTFC be bound to accept this?

A: No. YTFC is entitled to reject any other offer and continue the sale of the land to SSDC. However, this cannot be done until after the moratorium period has ended.

Q: Is the decision permanent?

A: No. Now that the ACV has been invoked, the Trust has until 26 May 2021 to submit that bid. However, should it decide before this date that it does not wish to bid, it may withdraw (in theory allowing the sale to SSDC to resume)

Q: Scott Priestnall has publicly stated in the past that triggering the moratorium period will lead to SSDC withdrawing their offer and the club being left on the brink of insolvency. Does this decision not risk the club's future?

A: This is a subjective question, and not one that can be answered with absolute certainty. However, it is worth noting that, to date, no evidence of either an SSDC withdrawal or the club immediately becoming insolvent has been provided to the Trust, despite having been requested.

Q: Are YTFC and SSDC aware of the decision?

A: Yes, this decision has already been communicated to them. YTFC have acknowledged receipt. SSDC will be shut until Monday 4th January.

Q: What happens next?

A: The Trust Board will now hold further conversations and seek potential investors in the Club and/or land itself. We will meet again next Thursday (7th January) to discuss this further, and to agree on specific actions and next steps. As always, minutes of this meeting will be published. We will continue to regularly communicate with our members and the wider fanbase, so please keep an eye out for further updates.

Q: Can I share my views on this?

A: Absolutely. We would like to thank the many members who took their time to share feedback with us directly over email, as well as those who used the various forums to express their views. We would like to reassure everyone that every member of the Board reads and takes these into account, and that the feedback has played a key role in our decision making. We wish to continue to encourage this; if you wish to contact us, please do so by emailing communications@glovers-trust.co.uk.

Q. There have been indications that the club will run out of money within the next couple of months if the SSDC deal does not go through? Is this true?

A. Scott Priestnall has indicated to both SSDC and the GT that the club could enter financial hardship in the short term, should the SSDC deal not proceed. The Trust have requested to see evidence of this in the form of the club's finances, and this request was declined by SP who advised that it is not standard procedure for a business to release such information. SP also advised that should the SSDC deal not go ahead, that he does have contingency plans.

Q. If the trust activates the ACV, where would the money be coming from?

A. The Glovers Trust Board intends to open talks with potential investors. Even during these challenging times, we are aware of interest.

Q. How can the trust contemplate to discuss or even vote on activating the ACV when they have not been given answers to a number of questions and other factors will remain secret until information of the purchase is in the public domain?

A. Without answers to key questions, it is very difficult to form a valid opinion on whether this is a good deal for YTFC or not. Our decision to invoke the ACV, allows us more time to come up with the answers to many questions, which will in turn allow our members to vote on whether to remove the ACV and allow any potential deal to proceed. More importantly, It also gives us the opportunity to form a bid of our own with any potential investor(s).

Q. Does the ACV apply to the football club and the land?

A. No – The ACV is only associated with the land at Huish Park. The football club itself as a business is not currently part of the deal.

Q. Can the ACV be removed?

A. Yes – The Glovers Trust can remove the ACV at any point, and thus allow any potential deal of Huish Park to proceed, should it wish to do so.